

Message Text

LIMITED OFFICIAL USE

PAGE 01 BUENOS 02503 142159Z

22

ACTION EB-07

INFO OCT-01 ARA-06 EUR-12 ISO-00 AID-05 CIAE-00 COME-00

FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03

SP-02 CIEP-01 LAB-04 SIL-01 OMB-01 NSC-05 SS-15

STR-04 CEA-01 PRS-01 IO-13 /100 W

----- 069260

R 141703Z APR 76

FM AMEMBASSY BUENOS AIRES

TO SECSTATE WASHDC 5267

INFO AMEMBASSY MONTEVIDEO

USDA/FAS

AMEMBASSY MOSCOW

LIMITED OFFICIAL USE BUENOS AIRES 2503

E. O. 11652: N/A

TAGS: BAGB, EAGR, EEWT, ETRN, AR

SUBJECT: SHIPMENT OF GRAINS/SOYBEANS TO USSR FROM NON-US
ORIGINS (C-6-59769)

REF: (A) STATE 06138, (B) FASTO CIRCULAR 95

1. OFFICE OF AGRICULTURAL ATTACHE HAS SENT IN A SERIES OF BOTH STATE CABLES AND TOFASES ON ARGENTINE GRAIN SHIPMENTS TO USSR; HOWEVER, WISH TO POINT OUT THAT ESTIMATED FORWARD SALES WERE BASED ON SUPPOSITION THAT ALL PURCHASES FROM ARGENTINE NATIONAL GRAIN BOARD BY THREE INTERNATIONAL SHIPPERS OR THEIR AGENTS WERE FOR EVENTUAL DELIVERY TO USSR. TRADE AND OTHER PUBLISHED REPORTS FROM U.S. WOULD INDICATE THAT THIS SUPPOSITION MAY NOT HAVE BEEN FULLY CORRECT.

2. WISH TO FURTHER POINT OUT THAT, TO BEST OF OUR KNOWLEDGE, THERE ARE NO DIRECT SALES FROM ARGENTINA TO USSR AND THAT ALL LOADING OUT OF ARGENTINA ARE AGAINST OPTIONAL ORIGIN CLAUSES OF PARENT FIRMS' CONTACTS. ARGENTINE SUBSIDIARIES OR AGENTS PURCHASE GRAIN

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BUENOS 02503 142159Z

FOB FROM GRAIN BOARD ON BASIS OF INSTRUCTIONS FROM PARENT FIRMS

AND THEN LATER RECEIVE LOADING ORDERS FROM SAME.

3. ARGENTINE EXPORTS TO USSR FOR PERIOD JULY '75 - FEBRUARY '76 WERE 729,171 METRIC TONS OF WHEAT INCLUDING 112,879 IN DECEMBER, 238,410 IN JANUARY AND 123,579 IN FEBRUARY. 36,613 TONS OF CORN WERE SHIPPED IN DECEMBER AND 34,329 IN JANUARY 1976.

4. FORWARD COMMITMENTS AND SALES BY BOARD BY GRAIN IN 000 METRIC TONS ARE AS FOLLOWS: BREAD WHEAT FOR DECEMBER '75 FORWARD, ARGENTINE COOPS FOR ITALIAN BUYERS 510, THREE INTERNATIONAL SHIPPERS OR THEIR AGENTS 950.7, OTHER INTERNATIONAL AND ARGENTINE SHIPPERS 251, BILATERAL AGREEMENTS 465.6 (180.5 LIBYA, 200 VENEZUELA, 0.5 BOLIVIA, 84.6 PARAGUAY) AND DIRECT SALES BY BOARD 690 (420 BRAZIL, 60 CHILE, 210 PERU), GRAND TOTAL 2,867.3; DURUM WHEAT FOR DECEMBER '75 FORWARD, COOPS 25, THREE INTERNATIONAL SHIPPERS 40, OTHER SHIPPERS 5, BILATERAL WITH LIBYA 96, TOTAL 186; CORN FOR MARCH '76 FORWARD, COOPS MOSTLY FOR ITALIAN BUYERS 796, THREE INTERNATIONAL SHIPPERS OR THEIR AGENTS 345, OTHER SHIPPERS AND BUYERS INCLUDING ONE ITALIAN AND ONE SPANISH 799, BILATERAL AGREEMENTS 220 (CUBA 120, VENEZUELA 100), TOTAL 2,160 PLUS 300 PENDING WITH MAJOR ITALIAN BUYER; GRAIN SORGHUM FOR MARCH '76 FORWARD, COOPS FOR JAPAN 320, THREE INTERNATIONAL SHIPPERS OR THEIR AGENTS 30, OTHER SHIPPERS AND BUYERS 1,011, BILATERAL WITH VENEZUELA 100, TOTAL 1,461. COMMITMENTS AND SALES ARE THROUGH MARCH 24. SHOULD BE POINTED OUT THAT MANY OF ABOVE COMMITMENTS ARE STILL WITH PRICES TO BE FIXED AND SOME TRANSFER OVER TO NEXT CROP OR EVEN EVENTUAL CANCELLATION MIGHT BE POSSIBLE. THIS MOST RELEVANT TO CASE OF CORN AS APPARENT COMMITMENTS AND PENDING ONES TOTAL 2.5 MILLION TONS WHILE EXPORTABLE SURPLUS ONLY EXPECTED TO BE AROUND 2 MILLION. IN CASE OF GRAIN SORGHUM, EXPORTABLE SURPLUS ESTIMATED AT 2-1/2 MILLION TONS WHILE COMMITMENTS ONLY TOTAL 1.5 MILLION. HOWEVER, GOA MIGHT ENCOURAGE SUBSTITUTION SORGHUM FOR CORN BY LOCAL FEED COMPOUNDERS AND MIGHT ALSO SUBSTITUTE SORGHUM FOR CORN IN SOME EXPORT CONTRACTS. WHEAT EXPORTABLE SURPLUS ESTIMATED AT 3.6 MILLION TONS VERSUS COMMITMENTS TO DATE OF 3.1 MILLION.

4. ON APRIL 2, NEW MINISTER OF ECONOMY ANNOUNCED THAT MARKETING OF 1975-76 CROPS WOULD REMAIN WITH GRAIN BOARD, BUT WITH 1976-77 CROPS, TRADE WOULD GO BACK TO PRIVATE SECTOR WITH GRAIN BOARD OFFERING SUPPORT PRICES.
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 BUENOS 02503 142159Z

5. RE REQUESTS IN REFTTEL A, SINCE NO CONTRACTS DIRECTLY FROM ARGENTINE SHIPPERS TO USSR, IN MOST CASES WOULD BE FRUITLESS TO PURSUE MANY OF DETAILS REQUESTED. HOWEVER, IN COMING VISITS BY AGRICULTURAL ATTACHE TO BUENOS AIRES, HE WILL ATTEMPT TO GET OVERALL IDEAS ON PENDING SHIPMENTS TO USSR BY MONTHS OF LOADING.

6. IN ORDER TO PURSUE QUESTIONS RAISED IN REFTTEL A, WOULD BE USEFUL

TO HAVE SOME IDEAS ABOUT CONTRACTS OF INTERNATIONAL SHIPPERS WITH
USSR THAT INCLUDE ARGENTINA AS OPTIONAL ORIGIN.
HILL

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SALES, GRAINS, SOYBEANS, EXPORT DATA
Control Number: n/a
Copy: SINGLE
Draft Date: 14 APR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ShawDG
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976BUENOS02503
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760142-0655
From: BUENOS AIRES
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760464/aaaaccea.tel
Line Count: 118
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 STATE 6138
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 04 MAY 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <04 MAY 2004 by CollinP0>; APPROVED <02 SEP 2004 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SHIPMENT OF GRAINS/SOYBEANS TO USSR FROM NON-US ORIGINS (C-6-59769)
TAGS: BAGB, EAGR, EEW, ETRN, ETRD, AR, US, UR
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006